



**Financial Solvency Standards Board (FSSB) Meeting**  
**February 22, 2023**  
**Meeting Summary**  
[\(see full transcript for more details\)](#)

**Financial Solvency Standards Board (FSSB) Members in Attendance:**

Dr. Larry deGhetaldi, Palo Alto Medical Foundation  
Scott Coffin, Alameda Alliance for Health  
Abbi Coursolle, National Health Law Program  
Paul Durr, Sharp Community Medical Group  
Dr. Jeff Rideout, Integrated Healthcare Association  
Mary Watanabe, Department of Managed Health Care  
Amy Yao, Blue Shield of California

**Department of Managed Health Care (DMHC) Staff in Attendance:**

Pritika Dutt, Deputy Director, Office of Financial Review  
Sarah Ream, Chief Counsel  
Jordan Stout, Staff Services Manager I  
Michelle Yamanaka, Supervising Examiner, Office of Financial Review

**Covered California Staff Present:**

Jessica Altman, Executive Director

**Agenda Item 1 – Welcome & Introductions** (Transcript, P. 4 – 5)

Chairperson Larry deGhetaldi called the meeting to order, reviewing housekeeping notes for attendees and Board members.

**Agenda Item 2 – Transcript & Meeting Summary from November 16, 2022 FSSB Meeting** (Transcript, P. 6)

Dr. deGhetaldi asked if there were any changes to the November 16, 2022, FSSB meeting transcript and summary. Motion to approve the transcript and meeting summary by Paul Durr, seconded by Amy Yao. The Board approved the November 16, 2022, transcript.

**Agenda Item 3 – Director’s Remarks** (Transcript, P. 7 – 16)

Director Mary Watanabe welcomed Dr. Mark Kogan to the Board, discussed the Health and Human Services items in Governor Newsom’s fiscal year 2023-24 budget, provided an update on the Health Equity and Quality Committee, and highlighted the findings of the Prescription Drug Cost Transparency Report and the Timely Access Report.

**Agenda Item 4 – [Covered California Update](#)** (Transcript, P. 17 – 43)

Jessica Altman, Executive Director at Covered California, provided an update on open enrollment, the Inflation Reduction Act subsidy extension, standard benefit designs and the impact on competitive factors in the market, the public health emergency unwind, the Quality Transformation Initiative, and Covered California’s Health Equity agenda.

**Agenda Item 5 – [Regulations Update](#)** (Transcript, P. 44 – 47)

Sarah Ream, Chief Counsel, provided an update on the SB 855 regulation which began formal rulemaking in December. Ms. Ream also discussed five regulations that are not yet in the formal rulemaking process.

**Agenda Item 7 – [Federal Update](#)** (Transcript, P. 48 – 52)

Ms. Ream provided an update on the end of the COVID-19 Federal Public Health Emergency (PHE) and the impacts it will have on enrollees and providers.

**Agenda Item 8 – [Dental Medical Loss Ratio](#)** (Transcript, P. 53 – 59)

Pritika Dutt, Deputy Director, Office of Financial Review, provided an overview of the 2021 Dental Medical Loss Ratio (MLR) data submitted by health plans on July 31, 2022. Health plans that offer commercial dental coverage and contract directly with enrollees or employer groups are required to annually file the dental MLR data.

**Agenda Item 9 – [Provider Solvency Quarterly Update](#)** (Transcript, P. 60 – 65)

Michelle Yamanaka, Supervising Examiner, Office of Financial Review, provided an update on the financial solvency of Risk Bearing Organizations (RBOs) for the quarter ending September 30, 2022.

**Agenda Item 10 – [Health Plan Quarterly Update](#)** (Transcript, P. 66 – 69)

Ms. Dutt provided an update on the financial status of health plans for the quarter ending September 30, 2022.

**Agenda Item 11 – Public Comments on Matters not on the Agenda** (Transcript, P. 70)

Dr. deGhetaldi asked for public comment on items not on the agenda. There was no public comment.

**Agenda Item 12 – Agenda Items for Future Meetings** (Transcript, P. 71 – 72)

Dr. deGhetaldi asked for agenda items for future meetings. The Board requested the following items:

- Periodic updates from Covered California.
- Presentation from the Department of Health Care Services (DHCS), Office of Medicare Innovation and Integration, on beneficiaries dually eligible for both Medi-

Cal and Medicare and the challenges for the plans and providers who care for them.

- Update on California's key initiatives, including affordability and data exchanges.
- Presentation from the Integrated Healthcare Association (IHA) on the four core quality measures across the four government entities, adjusted for imputed race and ethnicity and correlated to encounter data volume for the key providers.
- The cause of hospital closures and the impact it is having on enrollees.
- The California Medical Association's (CMA) proposal to expand the Managed Care Organization (MCO) tax to augment payments to Medi-Cal providers.

**Agenda Item 13 – Closing Remarks/Next Steps** (Transcript, P. 73)

The meeting was adjourned at 12:22 p.m. The next meeting is scheduled for May 17, 2023.